

**DEPARTMENT OF GENERAL SERVICES  
OFFICE OF PUBLIC SCHOOL CONSTRUCTION**501 J STREET, SUITE 400  
SACRAMENTO, CA 95814<http://www.dgs.ca.gov/opsc>

November 8, 1996

To : All School District Superintendents and County Superintendents of Schools

Subject : **ADVISORY OF ACTIONS TAKEN BY THE STATE ALLOCATION BOARD AND OTHER ISSUES**

On October 23, 1996, the State Allocation Board (SAB) allocated approximately \$95.5 million in additional funding for eligible priority one projects and projects where the priority status was upgraded in accordance with SAB policy. The balance of funds available for new construction projects is \$23.6 million and \$40 million is available for 60/40 projects. The balance of funds available for modernization projects is \$60.1 million. Specific actions taken by the SAB are as follows:

Consent Calendar

All items on the consent calendar were approved. The Furniture and Equipment index was increased from 1.31 to 1.32 and the Historical Savings Index was increased from 5.65 to 7.63. There were no changes in the Class B and D Construction Cost Indexes.

Educational Technology for Modernization Projects

The SAB recognized that the \$49.5 million, which was reserved at the September 25, 1996, SAB meeting for education technology for modernization, construction phase (Phase C) projects funded from Proposition 203, was insufficient to provide a full 5% allowance. The SAB accepted an Office of Public School Construction (OPSC) report that outlined several alternatives and decided to maintain their original action of September 25, 1996. The additional funding for education technology can only be used for wiring/cabling, building power upgrades and LAN or server hardware necessary as a result of the added education technology. Proposition 203 had specific language which permitted an augmentation for education technology for modernization projects. Modernization projects funded from a future funding source will only receive a 1.25% of the current replacement value unless new legislation is introduced which provides for an education technology allowance. Another OPSC advisory letter dated November 4, 1996, is enclosed with this mailing and outlines the steps necessary to justify the Proposition 203 education technology allowance.

Office of Public School Construction Workload Priorities

The OPSC presented an item requesting SAB direction on its workload priorities. The SAB approved OPSC recommendations as follows:

- Continue the processing of the release of Proposition 203 funds for planning, site and construction phases and bid approvals.
- Begin the processing of non-health and/or safety appeals received prior to September 25, 1996, for priority one Phase C projects only.
- Continue the processing of 60/40 requests for funding.
- Discontinue the processing of priority one (new applications) until all non-health and/or safety appeals received prior to September 25, 1996 have been processed.

In addition, the SAB directed OPSC to bring forth all priority one projects that were already processed and scheduled for the November consent agenda. These projects will be integrated with the appeals for funding consideration at the November 26, 1996 meeting.

District and County Superintendents

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November 5, 1996

### State Relocatable Classroom Program and the Class Size Reduction Program

The OPSC presented alternatives for the development of a policy to support the Class Size Reduction Program in the State Relocatable Classroom Program. In considering this item, the SAB directed OPSC to evaluate the feasibility of augmenting the Class Size Reduction Program that is currently administered by the California Department of Education (CDE). OPSC is to research the following issues with Legal Counsel:

- Review SB 1789 (Greene) Chapter 164, Statutes of 1996, and evaluate the feasibility of creating a program that will allow for bond funds to be disbursed as a grant in increments of \$25,000 (complementing CDE's program).
- Explore the possibility of transferring funds to the CDE for the purpose of continuing that department's Class Size Reduction Program.
- Explore other options related to the distribution of funds or the purchase of additional relocatable buildings to meet the needs of class size reduction.

OPSC was also directed to proceed with the State Relocatable Classroom Program bid that is to be opened on November 15, 1996, for the purpose of purchasing approximately 600 buildings for class size reduction.

### Education Technology Grant Program

The SAB adopted a policy for allocating Public Utility Commission (PUC) funding made available by AB 1302 (Murray), Chapter 767, Statutes of 1995 and AB 1519 (Morrow), Chapter 17, Statutes of 1996. These two bills authorized the SAB to allocate funds for the purpose of telecommunication development in public schools. The policy establishes a distribution of \$29,400,000 for technology implementation grants. The law also provided \$5,250,000 for staff development grants to be allocated by the CDE. The OPSC and the CDE collaborated to develop a funding formula for the allocation of the technology implementation grants as shown in the attachment. Applications will be mailed to school districts and county offices of education in December. If you have any questions on this issue, please contact Kathie Bovard at (916) 322-0317 or by e-mail at: kbovard@dgs.ca.gov .

### Other Issues

The Implementation of AB 481 (Goldsmith), Chapter 956, Statutes of 1995, regarding joint venture projects, was continued and will be presented at a future Board meeting.

For your convenience, copies of the applicable agenda items regarding the issues noted above are enclosed. Should you have questions regarding the content of this letter, please direct your calls to your project manager.

Sincerely,

TED W. DUTTON  
Executive Officer

TD:DB:pp

Attachments